ARIZONA CORPORATION COMMISSION UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

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DAY COMM

ANNUAL REPORT

FOR YEAR ENDING

12 31 2007

FOR COMMISSION USE

ANN 01 07

PROCESSED BY:

SCANNED

COMPANY INFORMATION

Mailing Address PO Box 21	195	
(Street) Benson		05.00
(City)	(State)	85602 (Zip)
520-586-5599	520-586-5279	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address		
	ume as above	
	ume as above	(Zip)
Local Office Mailing AddressSa	(Street)	(Zip) Cell No. (Include Area Code)

MANAGEMENT INFORMATION

	arry Huff, Senior Vice Pres (Name)	*****	tle) Officer
PO Box 2195	Benson	AZ	8560
(Street)	(City)	(State)	(Zip)
520-586-5210	520-586-5279		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include	Area Code)
Email Address			
On Site Manager:s	ame as above		
3	(Name)		*U
(Street)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include	Area Code)

Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Roy Kyle			
~ ~	(Name)	<u> </u>	
One So. Church #700	Tucson	AZ	85701
(Street)	(City)	(State)	(Zip)
520-622-2090	E N. W. L. L. C. L.		
Telephone No. (Include Area Code)	Fax No. (Include Area Code	Cell No.	(Include Area Code)
Attorney: Same as above			
	(Name)		
(Street)	(City)	(State)	(Zip)
(Silver)	(City)	(State)	(Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address			
Please mark this box if the above add	ress(es) have changed or are	updated sinc	ce the last filing.
	_	_	g -
<u>OWN</u>	ERSHIP INFORMATIC	<u>DN</u>	
Check the following box that applies to you	ır company:		
Sole Proprietor (S)	C Corporation (C	C) (Other tha	n Association/Co-op)
Partnership (P)	Subchapter S Con	rporation (Z))
☐ Bankruptcy (B)	Association/Co-op	p (A)	
Receivership (R)	Limited Liability	Company	
XXXOther (Describe) Cooperative	Corporation IRC 501	(c) 12	
<u>(</u>	COUNTIES SERVED		
Check the box below for the county/ies in v	which you are certificated to pr	ovide service	
П АРАСНЕ	² ∑ x COCHISE		COCONINO
☐ GILA	XX GRAHAM		GREENLEE
☐ LA PAZ	☐ MARICOPA		MOHAVE
	XX PIMA		PINAL
XXSANTA CRUZ	☐ YAVAPAI		YUMA
_			UNIA
☐ STATEWIDE			

SERVICES AUTHORIZED TO PROVIDE

Check the following box/es for the services that you are authorized to provide:				
☐ Electric	☐ Telecommunications			
Investor Owned Electric Rural Electric Cooperative Utility Distribution Company Electric Service Provider Meter Service Provider Meter Service Provider Meter Reading Service Provider Meter Reading Service Provider Meter Reading Service Provider Meter Reading Service Provider Accillary Services Generation Provider Aggregator/Broker Other (Specify) STATISTICAL	☐ Incumbent Local Exchange Carrier ☐ Interexchange Carrier ☐ Competitive Local Exchange Carrier ☐ Reseller ☐ Alternative Operator Service Provider ☐ Gas ☐ Natural Gas ☐ Propane ☐ INFORMATION			
TELECOMMUNICATION UTILITIES ONLY				
Total residence local exchange access lines				
Total business local exchange access lines				
Total revenue from Arizona operations	\$			
Total income from Arizona operations	\$			
Value of assets used to serve Arizona customers	\$			
Accumulated depreciation associated with those assets	\$			

STATISTICAL INFORMATION (CONT'D)

ELECTRIC UTILITY PROVIDERS ONLY	
Total number of customers	
Residential	
Commercial	
Industrial	
Public street and highway lighting	
Irrigation	
Resale	
Total kilowatt-hours sold	kWh
Residential	
Commercial	
Industrial	
Public street and highway lighting	
Irrigation	
Resale	
Maximum Peak Load	MW
GAS UTILITIES ONLY	
	
Total number of customers	
Residential	
Commercial	
Industrial	
Irrigation	-
Resale	
Total therms sold	therms
Residential	
Commercial	
Industrial	
Irrigation	
Resale	

VERIFICATION AND SWORN STATEMENT

THE PARTY OF THE P	<u>Intrast</u>	ate Revenues On	<u>ly</u>	- 194 31777 - 1888 S.	
VERIFICATION	COUNTY OF (COUNT	Y NAME)		COHE COM	
STATE OF	Cochise		- 	rector Utilitie	3 8
I, THE UNDERSIGNED	NAME (OWNER OR O	• •	inancial Off	icer	
OF THE		ransmission			
DO SAY THAT THIS ANNUAL	UTILITY REPOR	RT TO THE ARIZ	ONA CORPORAT	TON COMMISS	SION
FOR THE YEAR ENDING	монтн 12	DAY 31	YEAR 2007		
HAS BEEN PREPART PAPERS AND RECOUTHE SAME, AND DESTRUCTION OF BUILDING TO THE SET FORTH, TO THE	RDS OF SAID DECLARE THE USINESS AND REPORT IN RES	UTILITY; THA E SAME TO I AFFAIRS OF SPECT TO EAC	T I HAVE CAR BE A COMPLI SAID UTILITY H AND EVERY	REFULLY EXA ETE AND CO FOR THE MATTER ANI	AMINED ORRECT PERIOD D THING
SWORN STATEMENT					
IN ACCORDANCE W 401, ARIZONA REVI OPERATING REVEN UTILITY OPERATION	SED STATUTE UE OF SAID U	ES, IT IS HERI UTILITY DERIV LENDAR YEAR	EIN REPORTEI VED FROM <u>AR</u>) THAT THE IZONA INTR	GROSS
		\$	Ø	(4)	
		CTITE A MOUNT	E INT DOW A DOW		
		INCLUDES \$	Γ IN BOX ABOV	Ł	
**DEVENUE DEDODTED ON THE D	ACTE SATTOTE	IN SALES TAX	ES BILLED, OR	COLLECTED))
**REVENUE REPORTED ON THIS PAINCLUDE SALES TAXES BILLED OF COLLECTED. IF FOR ANY OTHER THE REVENUE REPORTED ABOVE AGREE WITH TOTAL OPERATING ELSEWHERE REPORTED, ATTAC STATEMENTS THAT RECONCILE DIFFERENCE. (EXPLAIN IN DETAILS.)	OR REASON, E DOES NOT G REVENUES H THOSE THE L)	SIGNATURE OF OWNER OR OF SELEPHONE NUMBER	563/		
SUBSCRIBED AND SWORN TO BE		20112			
A NOTARY PUBLIC IN AND FOR T	DAY OF	MONTH COR!	20 <u>08</u>		
(SEAL) MY COMMISSION EXPIRES	OFFICIAL S OFELIA R. BL Notary Public - COCHISE CO My Comm Exp Jul	AKEY Arizona SCNATURE UNTY	E OF NOTARY PUBLIC	Laken	

VERIFICATION AND SWORN STATEMENT

SWORN STATEMENT RESIDENTIAL REVENUE



INTRASTATE REVENUES ONLY

W CORP COMM

STATE OF ARIZONA	COUNTY OF (COUNTY NAME) Cochise	Oirer	for utilities.	
I, THE UNDERSIGNED	NAME (OWNER OR OFFICIAL) Dirk C. Minson	Chief	Financial	Officer
OF THE	COMPANY NAME Southwest Transmission Coop.,	Inc.		

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING MONTH DAY YEAR 2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

(SEAL)

MY COMMISSION EXPIR

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

CALENDA	IN IEAK 2007 W.	<u>A5</u> :	
ARIZONA INTRAS	TATE GROSS OPERATIN	G REVENUES	(THE AMOUNT IN BOX AT LEFT
	ď		INCLUDES \$
\$	Ø		IN SALES TAXES BILLED, OR COLLECTED
	REVENUE REPOR DE SALES TAXES B		SIGNATURE OF OWNER OR OFFICIAL STO. 586. 363/ TELEPHONE NUMBER
SUBSCRIBE	ED AND SWORN TO	BEFORE ME	NOTARY PUBLIC NAME R. BLAKEY
A NOTARY	PUBLIC IN AND FO	OR THE COUNTY	OF COUNTY NAME COCKISE
THIS	IHA	DAY OF	MONTH APPEL .2008

OFFICIAL SEAL

OFELIA R. BLAKEY (Notary Public - Arizona

COCHISE COUNTY

My Comm Exp July/12/2008

SIGNA

NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2007) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. <u>ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.</u>

Southwest Transmission Cooperative, Inc.

Statement of Operations For Year ended December 31, 2007

Subject to Audit

3/31/2008

19,770,23	1	Current YTD	Plan YTD	Variance	Description	11 Mo 2007	D ' 1/ 0000	1
2 3,19,786 3,00,0895 168,882 411/310 Class A. Filip Agenet 2,243,356 2, 1,241,490 1,500,711 1,409,677 91,034 410,900 Class A. Filip Agenet 2,243,356 2, 1,241,490 1,500,711 1,409,677 91,034 410,900 Class A. Filip Agenet 2,247,004 41,031 1,241,103 1,241,		Operating Revenues	5			11 WO 2007	Prior Yr 2006	-
2 3,19,786 3,00,0895 168,882 411/310 Class A. Filip Agenet 2,243,356 2, 1,241,490 1,500,711 1,409,677 91,034 410,900 Class A. Filip Agenet 2,243,356 2, 1,241,490 1,500,711 1,409,677 91,034 410,900 Class A. Filip Agenet 2,247,004 41,031 1,241,103 1,241,								
1,00,000 1,00,000	· I			(11,825)	4101300 Class A - Firm Transmission	17 046 909	40 470 77	. .
1,19,1,500	4			168,892	4101310 Class A - Reg Asset	2 024 256	19,172,774	
1,400,771	1			(9,440)	4130000 Class A - DAF	1 021 125	2,995,056 731,987	
1	1			91,034	4101800 Class A - Syst Cntl	1 396 083	1,407,749	
10			1		4101810 Class A - React Supp		40,807	
B. B. B. B. B. B. B. B.	- 1				4101840 Class A - Del Losses		26,727	- 1
12,828	′	25,555,128	25,143,458	411,670	* Class A Member Revenue		24,375,100	
1,2,6,6,6,7,6,7,7,7,7,7,7,7,7,7,7,7,7,7,7			6,345,012	298,868	4102300 Class B - Firm Transmission	6 085 373	6,555,894	١.
10	4	1 ' ' 1			4102710 Class B - Non Firm Transmission	1	1,064	
1		567,544	565,284	2,260	4102800 Class B - Syst Cnt'i		566,146	
1,000,475	1	7,004,050	0			1	000,140	11
142,576	1/2	7,224,002	6,910,296	313,756	* Class B Member Revenue		7,123,104	
142,676		, , ,			4104400 Non Members - Firm Transmission	1.338.579	764,687	13
15					4104500 Non Members - Non Fi		16,049	1
101,118			· 1		4104800 Non Mbr - Syst Cnt'l		85,141	
10	1	,	- 1		4104810 Non Mbr - React Supp		18,834	
1,947,145	1	101,110	· 1		4104820 Non Mbr - Reg & Freq		75,324	
1,732,401 99 1,732,401 99 1,732,401 99 1,732,401 99 1,732,401 99 1,732,401 99 1,732,401 91 1,73		1 947 145		—		<u>o</u> [(285	
181870 61428 39,447 39,445 39,445 39,445 39,445 39,445 39,445 39,445 39,445 39,445 34,377,000 37,3946 70,445 70,455		1,047,140	1,095,194	51,951	Non Member Revenue	1,732,401	959,750	
1.083 2.09 3.04.621 30.44.52 30.44.52 30.44.52 30.45		852,651	786,624	66,027	4120000 Other Operating Revenues	701 701	000 000	
Section				<u>30,442</u>	4120100 Other Service Revenues		982,922	,
	1 1			96,469	* Other Operating Revenue		<u>287,148</u> 1,270,070	
3,857,121 4,281,000 (423,879) * Transmission Operations 3,409,157 3,6	23		34,797,000	873,846	** Total Operating Revenues		33,728,024	
1		Operating Expenses					00,720,021	120
1	24	3.857.121	4 284 000	(400.070)	* Tanka t t a			
3,999,200 3,757,000 242,200 Transmission System Control & Dispatch 3,363,111 3,51 3,51 3,572,883 3,129,000 443,883 Transmission Maintenance 2,792,767 2,73 2,74 2,74 3,927,128 4,078,000 (150,872) Administrative and General (Incl. Teamworks) 3,477,406 4,00		5,541,121	4,201,000	(423,679)	Transmission Operations	3,409,157	3,600,354	24
26 3,999,200 3,757,000 242,200 Transmission System Control & Dispatch 3,363,111 3,5 27 3,572,883 3,129,000 443,883 Transmission Maintenance 2,792,767 2,7 28 3,927,128 4,078,000 (150,872) Administrative and General (Incl. Tearmworks) 3,477,406 4,0 29 7,549,428 7,905,000 (355,572) Depreciation and Amortization 6,949,891 7,53 30 1,864,715 1,695,000 169,715 Taxes 1,874,026 1,93 31 29,625,309 29,378,000 247,309 * Total Operating Expenses 26,336,522 28,88 29 6,045,537 5,419,000 628,537 ** OPERATING MARGINS 6,335,545 4,84 33 303,196 420,000 (116,814) Interest Income 265,644 4,84 34 628,387 676,000 (47,613) Interest During Const. (IDC) 586,901 22 35 7,448 0 7,448 0 7,488 0	25	4,854,833	4,533,000	321,833	* Wheeling & Ancillary Services	4,470,164	5,505,781	25
27 3,572,883 3,129,000 443,883 Transmission Maintenance 2,792,767 2,73 28 3,927,128 4,078,000 (150,872) Administrative and General (Incl. Teamworks) 3,477,406 4,03 29 7,549,428 7,905,000 (355,572) Depreciation and Amortization 6,949,891 7,55 30 1,864,715 1,695,000 169,715 Taxes 1,874,026 1,93 29,625,309 29,378,000 247,309 Total Operating Expenses 26,336,522 28,88 4,082 6,045,537 5,419,000 626,537 Other Income & Expenses 26,336,522 28,88 4	26	3,999,200	3.757.000	242 200	* Transmission States Contact a Di			
2,792,767 2,73 2,			5,7.57,000	242,200	Transmission System Control & Dispatch	3,363,111	3,532,596	26
28 3,927,128 4,078,000 (150,872) * Administrative and General (Incl. Teamworks) 3,477,406 4,000 29 7,549,428 7,905,000 (355,572) * Depreciation and Amortization 6,949,891 7,500 30 1,864,715 1,695,000 169,715 * Taxes 1,874,026 1,300 31 29,625,309 29,378,000 247,309 ** Total Operating Expenses 26,336,522 28,860 32 6,045,537 5,419,000 626,537 *** OPERATING MARGINS 6,335,545 4,840 Other Income & Expenses 30 303,186 420,000 (116,814) Interest Income 2626,644 4,840 34 628,387 676,000 (47,613) Interest During Const. (IDC) 586,901 225 35 7,448 0 7,48 0 7,448 0 7,448 0 7,448 0 7,448 0 7,448 0 7,448 0 7,448 0 7,448 0 7,448 0 7,448 0 7,448 0 7,448 0 7,48	27	3,572,883	3,129,000	443,883	* Transmission Maintenance	2,792,767	2,732,384	27
7,549,428 7,905,000 (355,572) Depreciation and Amortization 6,949,891 7,55 1,864,715 1,695,000 169,715 Taxes 1,874,026 1,93 29,625,309 29,378,000 247,309 Total Operating Expenses 26,336,522 28,88 6,045,537 5,419,000 628,537 OPERATING MARGINS 6,335,545 4,84 Other Income & Expenses 33 303,186 420,000 (116,814) Interest Income 265,644 44 44 62,836 0 7,448 0 7,448 0 7,448 0 7,448 0 7,448 0 7,448 0 7,448 0 0 7,448 Capital Credits from Cooperatives 7,448 0 0 7,448 Capital Credits from Cooperatives 7,448 0 0 7,448 ORA Gain on Sale Transmission Line 0 24 31,181 154,000 177,181 Other Non-Op Income 261,719 27 10,121,712 99 1,270,202 1,250,000 20,202 Total Other Income 1,121,712 99 (5,068,821) (4,666,000) (420,821) Interest Expense - LT Debt (4,558,184) (4,88 (24,947) (756,000) 731,053 Interest Expense - Cher (23,512) (5,051,768) (5,362,000) 310,232 Total Interest Expense - Other (23,512) (5,051,768) (5,561,000) 1,133,947 Total Interest Expense (4,581,696) (4,88 2,271,947 1,158,000 1,113,947 TER MARGINS 2,873,206 95	28	3,927,128	4,078,000	(150-872)	* Administrative and General (Inc. Tonmworks)	0 7-7 120		
1,864,715					Administrative and Gerleral (Incl. Teamworks)	3,477,406	4,037,388	28
1,974,026 1,93 29,378,000 247,309 Total Operating Expenses 26,336,522 28,88 26,045,537 5,419,000 626,537 Other Income & Expenses 265,644 45 25 25 25 25 25 25	29	7,549,428	7,905,000	(355,572)	* Depreciation and Amortization	6,949,891	7,539,508	29
31 29,625,309 29,378,000 247,309 ** Total Operating Expenses 26,336,522 28,38 32 6,045,537 5,419,000 626,537 *** OPERATING MARGINS 6,335,545 4,84 33 303,186 420,000 (116,814) Interest Income 265,644 45 44 628,387 676,000 (47,613) Interest During Const. (IDC) 556,901 22 35 7,448 0 7,448 O 7,448 O Gain on Sale Transmission Line 0 24 37 331,181 154,000 177,181 Other Non-Op Income 261,719 2 38 1,270,202 1,250,000 20,202 Total Other Income 1,121,712 99 39 (5,026,821) (4,606,000) (420,821) Interest Expense - LT Debt (4,558,184) (4,588,184) 40 (24,947) (756,000) 731,053 Interest Expense - Other (23,512) 5,051,768) (5,362,000) 310,232 Total Interest Expense (4,581,696) (4,88 41 7,976 (149,000) 156,976 Other Deductions (2,355) 42 (5,043,792) (5,511,000) 467,208 Total Interest and Other Deductions (4,584,051) (4,88 44 1,452 1,300 TIER 1,000 1,113,947 TOtal Interest and Other Deductions (2,355) (4,584,051) (4,88 1,000 1,113,947 1,1158,000 1,113,947 TOtal Interest and Other Deductions (4,584,051) (4,88 1,452 1,300 1,113,947 TOtal Interest and Other Deductions (4,584,051) (4,88 1,452 1,300 1,113,947 TOtal Interest Expense (4,584,051) (4,88 1,452 1,300 1,113,947 TOtal Interest and Other Deductions (4,584,051) (4,88 1,452 1,300 1,113,947 TOtal Interest and Other Deductions (4,584,051) (4,88 1,452 1,300 1,113,947 TOtal Interest and Other Deductions (4,584,051) (4,88 1,452 1,300 1,113,947 TOtal Interest and Other Deductions (4,584,051) (4,88 1,452 1,300 1,113,947 TOtal Interest and Other Deductions (4,584,051) (4,88 1,452 1,300 1,113,947 TOtal Interest and Other Deductions (4,584,051) (4,88 1,452 1,300 1,113,947 TOtal Interest Expense (4,584,051) (4,88 1,452 1,300 1,113,947 TOtal Interest Exp	30	1,864,715	1,695,000	169,715	* Taxes	1 074 000	4 000 000	
1	1 ⊦						1,938,327	
Other Income & Expenses 33 303,186 420,000 (116,814) Interest Income 265,644 45 34 628,387 676,000 (47,613) Interest During Const. (IDC) 586,901 22 35 7,448 0 7,448 Capital Credits from Cooperatives 7,448 36 0 0 Gain on Sale Transmission Line 0 24 37 331,181 154,000 177,181 Other Non-Op Income 261,719 2 38 1,270,202 1,250,000 20,202 Total Other Income 1,121,712 99 39 (5,026,821) (4,606,000) (420,821) Interest Expense - LT Debt (4,558,184) (4,88 40 (24,947) (756,000) 731,053 Interest Expense - Other (23,512) 70tal Interest Expense (4,581,696) (4,88 41 7,976 (149,000) 156,976 Other Deductions (2,355) (4,584,051) (4,88 42 (5,043,792) (5,511,000) 467,208	j þ			626,537	*** OPERATING MARGINS		28,886,338	
34 628,387 676,000 (47,613) Interest During Const. (IDC) 265,644 45 35 7,448 0 7,448 0 7,448 0 7,448 0 0 0 0 Capital Credits from Cooperatives 7,448 0 0 0 0 0 0 24 0 0 0 24 0 0 0 0 0 0 0 0 24 0 0 0 0 0 24 0 0 0 0 0 0 0 0 0 0 24 0		Other Income & Expe	enses			0,000,040	4,841,686	32
34 628,387 676,000 (47,613) Interest During Const. (IDC) 265,644 45 35 7,448 0 7,448 0 7,448 0 7,448 0 0 0 0 Capital Credits from Cooperatives 7,448 0 0 0 0 0 0 24 0 0 0 24 0 0 0 0 0 0 0 0 24 0 0 0 0 0 24 0 0 0 0 0 0 0 0 0 0 24 0	33	303 186	420,000	Hap Ba A	Interest to a second			
35	1 1						497,670	33
36	4 I		· · · · · · · · · · · · · · · · · · ·		Capital Credita from Capital	1 1	222,120	34
331,181	1		- 1		Gain on Sale Transmission Line	1	8,742	36
38	37	<u>331,181</u>			Other Non-Op Income	1 !	243,514	
39 (5,026,821) (4,606,000) (420,821) Interest Expense - LT Debt (4,558,184) (4,888,184)	38	1,270,202	1,250,000				<u>22,827</u> 994,873	37
40 (24,947) (756,000) (756,000) (731,053) (101	39	(5.026.821)	(4.606.000)	(490,004)	Interest Consequent T. D. I.	1,161,116	<i>554</i> ,673	۵۵
(5,051,768) (5,362,000)							(4,881,885)	39
41 7,976 (149,000) 156,976 Other Deductions (2,355) 42 (5,043,792) (5,511,000) 467,208 * Total Interest and Other Deductions (4,584,051) (4,88 43 2,271,947 1,158,000 1,113,947 **** NET MARGINS 2,873,206 95 44 1,452 1,300 TIER 45 1,073 1,100 DOC							<u>0</u>	40
42 (5,043,792) (5,511,000) 467,208 * Total Interest and Other Deductions (2,355) 43 2,271,947 1,158,000 1,113,947 ***** NET MARGINS 2,873,206 95 44 1.452 1.300 TIER 45 1,073 1,100 1,100 1,100		(21001)		910,202	rotar interest expense	(4,581,696)	(4,881,885)	
43 2,271,947 1,158,000 467,208 Total Interest and Other Deductions (4,584,051) (4,88 2,271,947 1,158,000 1,113,947 **** NET MARGINS 2,873,206 95 1.300 TIER 45 1.073 1,100 PROCES	1 1					(2.355)	0 i	41
2,271,947 1,158,000 1,113,947 NET MARGINS 2,873,206 95 44 1.452 1.300 TIER 45 1.073 1.100 PSG					Total Interest and Other Deductions	1 1 1 1	(4,881,885)	
45 1.073 1.100 0.00	*3	2,2/1,94/	1,158,000	1,113,947	*** NET MARGINS		954,674	43
45 1 1073 1 100 100	44	1.452	1.300		rien			Ì
200							1.196	
				•			1.006	45

Southwest Transmission Cooperative, Inc.

Balance Sheet

For Month Ended December 31, 2007

Subject to Audit

03/31/08

Page 1

Item		Total 12/31/07	Total 12/31/06	Difference
	ASSETS			21110101100
	CASH & CASH EQUIVALENTS			
	** Total Special Deposits	(255)	(123)	/10/
2	** Total Temporary Investments	4,499,156	7,594,952	(13) (3,095,79
3	** Total Petty Cash	21,164		
1	** Total Bank Accounts	159,040	11,871 97,100	9,29
5	*** Total Cash & Cash Equivalents	4,679,105	7,703,800	61,94 (3,024,69
		4,079,103	1,703,000	(3,024,69
	ACCOUNTS RECEIVABLE			
3	** Total Receivables - Domestic	3,764,870	2 770 207	004.49
7	** Total Intercompany Receivables	4,739	2,770,387 459,830	994,48 (455,09
3	** Total Other Receivables	2,163,349	1,489,815	673,53
9	*** Total Accounts Receivable	5,932,958	4,720,032	1,212,92
		0,302,338	4,720,032	1,212,920
	MATERIALS & SUPPLIES			
10	** Total Materials & Supplies	1,744,186	1,391,212	352,974
11	** Total Stores Expense Undistributed	28,558	77,330	(48,772
12	*** Total Materials & Supplies	1,772,744	1,468,542	304,202
		3,:-2,:	1,100,042	004,202
	OTHER CURRENT ASSETS			·
13	** Total Interest Receivable	16,502	16,669	(167
14	** Total Other	1,807,546	5,070,538	(3,262,992
15	*** Total Other Current Assets	1,824,048	5,087,206	(3,263,158
		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	0,001,200	(0,200,100
	PREPAYMENTS			
16	*** Total Prepayments	2,168,523	1,716,984	451,539
		2,100,020	1,7 10,304	491,303
	PROPERTY, PLANT, & EQUIPMENT			
17	*** Total Property, Plant, & Equipment	142,038,970	132,177,142	9,861,828
		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	.02,,2	0,001,020
	ACCUMULATED DEPRECIATION ON PP&E			
18	*** Accumulated Depreciation on PP&E	(64,414,137)	(60,266,795)	(4,147,342
		1 1 1		1.5, , 5
	Construction Work in Progress			
19	*** Total Construction/Retirement Work in Progress	15,621,598	11,422,884	4,198,714
			(
	OTHER LONG TERM ASSETS			
20	** Total Investments	2,388,526	2,382,060	6,465
21	** Total Special Funds	79,651	66,804	12,847
22	*** Total Other Long Term Assets	2,468,177	2,448,864	19,312
23	**** TOTAL ASSETS	112,091,986	106,478,660	5,613,326
		112,001,000	100,470,000	3,013,320
	LIABILITIES AND EQUITY			_ _
	CURRENT LIABILITIES			
	CONTRACT LIABILITIES			
	TRADE PAYABLES			<u> </u>
4	** Total Trade Payables			
. 4 !5	** Total Transmission Wholesale	1,622,997	4,628,607	(3,005,610
.5 !6		414,252	569,957	(155,705
	** Total A/P Other	239,457	263,042	(23,585

Southwest Transmission Cooperative, Inc.

Balance Sheet

For Month Ended December 31, 2007

Subject to Audit

03/31/08

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Item	Text for B/S P&L item	Total 12/31/07	Total 12/31/06	Difference
	DEFERRED COMP & EMPLOYEE BENEFITS			
27	** Total DEFERRED COMP & EMPLOYEE BENEFITS	798,326	744,085	54,241
	TAX PAYABLE			
28	** Total Tax Payable	932,817	974,356	(41,539)
	INTEREST PAYABLE			
29	** Total Interest Payable	405,361	389,746	15,615
	INTERCOMPANY PAYABLES			
30	** Total Intercompany Payables	3,226,132	1,223,910	2,002,222
	Prepaid Payments			
31	** Total Prepaid Payments	0	0	0
	OTHER CURRENT LIABILITIES			
32	** Total Other Current Liabilities	2,335	2,336	(1)
33	*** Current Liabilities			
	Current Elabilities	7,641,677	8,796,039	(1,154,362)
	Long Term Liabilities LOANS/NOTES PAYABLE			
34				
34	**Total Loans/Notes Payable	101,695,301	95,492,277	6,203,024
	OTHER LONG TERM LIABILITIES			
35	** Total Other Long Term Liabilities	(10)	(172)	162
36	*** Total Long Term Liabilities	99,987,846	95,492,105	4,495,741
37	*** Total Liabilities	107,629,523	104,288,144	3,341,379
		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	10 1,200,111	0,011,070
	EQUITY			
00	MEMBERSHIPS			
38	** Total Memberships	900	900	0
	PATRONAGE CAPITAL			
39	** Total Patronage Capital	5,024,714	5,024,714	0
	RETAINED EARNINGS			
40	** Total Retained Earnings - Prior Yrs	(2,835,098)	(3,789,772)	954,674
41	** Operating Margins	0	<u>954,674</u>	(954,674)
42	Total Net Unallocated Retained Earnings - Prior Yrs	(2,835,098)	(2,835,098)	(0)
	PROFIT/LOSS CURRENT YEAR			
43	** Total Profit/Loss Current Year	2,271,947		2,271,947
44	*** Total Equity	4,462,463	2,190,516	2,271,947
45	**** TOTAL LIABILITIES & EQUITY	112,091,986	106,478,660	
	To the property of Education	112,091,900	100,478,000	5,613,326